

**BUDGET UNIT: CALIFORNIA CHILDREN'S SERVICES (AAA CCS)**

**I. GENERAL PROGRAM STATEMENT**

California Children's Services (CCS) is a state program that provides case management, diagnosis, and treatment services to individuals up to 21 years of age with severe qualifying medical conditions and whose families are unable to pay for all or part of their care. State law requires the county to maintain a mandated minimum county funding level. In addition to state realignment dollars and the county's mandated contribution, funding also comes from Medi-Cal, private insurance, and patient co-payments. Revenues are based upon individual client eligibility for specific programs such as Medi-Cal, Healthy Families, or CCS alone (people who do not qualify for other programs or cannot afford to pay their Medi-Cal co-share payments.)

The revenue breakdown among federal, state, realignment, and county general fund support depends on the type of services provided under this program. This program provides two type of services:

- 1) Administrative component – Case management activities which include determining program eligibility, evaluating needs for specific services, determining the appropriate providers, and authorizing/paying for medically necessary care.
  - a) Administrative funding is based on staffing standards and caseload mix of CCS clients. In other words, it depends on which Federal, State, or County program in which the children are enrolled. Currently, our caseload is comprised of the following:
    - i) Medi-Cal accounts for approximately 84.56%. This federal and state program reimburses the county for 100% of the costs associated with these services.
    - ii) Healthy Families accounts for approximately 10%. This federal and state program reimburses the county for 82.5% of the costs. The remaining 17.5% is equally funded by Social Services Realignment (8.75%) and general fund support (8.75%).
    - iii) CCS or Non-Medi-Cal caseload accounts for approximately 5.44%. Federal and state funds account for 50% of the costs associated with treating this clientele. The other 50% is equally funded by Social Services Realignment (25%) and general fund support (25%).
  - b) Two of the workload indicators presented in this budget reflect the administrative component: Cases managed and claims processed.
- 2) Medical Therapy component – Provides physical therapy, occupational therapy, and Medical Therapy Conference services. Licensed physical therapists and certified occupational therapists provide evaluation, treatment, consultation services and case management.
  - a) The State reimburses the county for 50% of the costs incurred by this program. The remaining 50% is equally funded by realignment and general fund support. In addition, the program is able to bill Medi-Cal for therapy staff hours at the medical reimbursement rate. This means that the physical therapist and occupational therapist time provided to Medi-Cal clients can be almost fully reimbursed by Medi-Cal. Currently, county employees are paid at \$32.86 per hour plus benefits and the county is reimbursed at a minimum rate of \$34.08 per hour.
  - b) It is estimated that approximately 70% of the therapy units (24,500 or 12,250 hours) will be provided during 2003-04 to Medi-Cal clients.

The budgeted local cost amount reflects the County's mandated share of costs for serving anticipated caseloads. Should actual caseloads fall short of projections, unused local funds would return to the County's year-end fund balance. Similarly, Realignment funds will be transferred to correspond with actual caseloads at the end of the year.

## PUBLIC HEALTH

### II. BUDGET & WORKLOAD HISTORY

	<b>Actual 2001-02</b>	<b>Budget 2002-03</b>	<b>Estimated 2002-03</b>	<b>Department Request 2003-04</b>
Total Appropriation	5,915,099	10,716,023	7,718,749	10,723,433
Total Revenue	4,630,286	9,177,982	6,330,708	9,185,392
Local Cost	1,284,813	1,538,041	1,388,041	1,538,041
Budgeted Staffing		154.3		145.0
<b><u>Workload Indicators</u></b>				
Cases Managed	-	10,900	10,200	11,000
Claims Processed	-	120,000	130,000	133,900
Therapy Units (old methodology)	-	124,000	-	-
Therapy Units (new methodology)	-	35,000	35,000	36,050

Actual expenses and revenues are significantly lower than budgeted because CCS does not have enough space to hire all of the staff. Negotiations on new space are currently underway but a move is not expected until after the end of the fiscal year. The program continues to experience difficulty filling nursing and physical therapy vacancies.

The Therapy Unit workload indicator has undergone a significant methodology change. As the 2002-03 county budget was being developed, the State was changing its CCS automated system. As a result, the Department could not extrapolate complete data for 2001-02. For the 2003-04 budget, the Department has revised this workload indicator to reflect therapy provided in 30-minute increments. To provide continuity in annual workload indicators, 2002-03 measurements of Therapy Units delivered were recalculated so they could be presented in the same manner as projected 2003-04 workloads.

### III. HIGHLIGHTS OF RECOMMENDED PROGRAM FUNDED ADJUSTMENTS

#### **STAFFING CHANGES**

Budgeted staffing is decreasing by 9.3 positions overall due to some minor changes in staffing mix which decreased staffing by 0.2 positions as described below and to reflect long term vacancies occurred upon departure of 9.1 existing staff. Vacancies are expected to increase because greater restrictions upon County hiring processes result in longer periods of vacancy after an employee leaves a position. The other staffing mix changes include the addition of 3.0 Financial Interviewers, 1.0 Physical Therapist, 1.0 Medical Transcriber, and 0.5 of a Fiscal Clerk II. Reductions include 2.0 Therapy Assistants and 2.0 Registered Nurses II. The Registered Nurses classification no longer meets the state's service delivery requirements. Additionally, 1.7 of the reduction is a result of an accounting change. Those positions are in the Public Health budget and are now reflected in this budget as transfers.

#### **PROGRAM CHANGES**

Costs for services and supplies are lower due to reduced computers and equipment purchases needed for 2003-04. Budgeted costs have also decreased for EHAP and rent expense due to an accounting change. Transfers represent staff time purchased from Public Health, as mentioned in the Staffing Changes section above and an accounting change for EHAP and rent expense related to GASB 34. State revenue is expected to remain constant into 2003-04.

#### **OTHER CHANGES**

None.

## PUBLIC HEALTH

### IV. VACANT POSITION IMPACT

The department has a total of 18.6 vacant budgeted positions in its 2003-04 Department Request Budget. The breakdown of these positions is as follows:

Vacant Budgeted Not In Recruitment	12.8	Slated for Deletion
Vacant Budgeted In Recruitment	<u>5.8</u>	Retain
Total Vacant	18.6	

#### Vacant Position Restoration Request:

The department has submitted policy items for the restoration of the 12.8 vacant budgeted positions that are slated for deletion. The County Administrative Office recommends Policy Item #1 and #2 to restore all 12.8 vacant budgeted positions. This restoration is being recommended because it is required to comply with state mandated staffing ratios pursuant to AB 948; non-compliance could potentially jeopardize state funding of approximately \$7.6 million. Furthermore, these positions provide direct patient care to severely ill children and assist children in enrolling to Federal/State programs such as Medi-Cal. If administrative staffing is reduced, fewer patients could be enrolled in these Federal/State programs, which generally reimburse the vast majority of costs associated with providing health care. As a result, local cost would increase dramatically to provide treatment for these severely ill children.

CAO Rec	Item	Program	Budgeted Staff	Program Description
x	1	Medical Therapy	1.3 - <b>\$60,462</b>  \$15,116 Local Cost \$45,346 Revenue Supported	This program provides direct care for children whose families qualify for no other type of aid and are unable to afford treatment under other means for life threatening or permanently debilitating illnesses. Positions needed are 0.8 Occupational Therapist and 0.5 Pediatric Therapist II.
x	2	CCS Administration	11.5 - <b>\$637,632</b>  \$49,228 Local Cost \$588,404 Revenue Supported	This program conducts case management activities for eligible children including determining all phases of program eligibility, evaluating needs for specific services, determining the appropriate providers, determining eligibility for Federal/State programs, and authorizing and paying for medically necessary care. Reductions in staffing will cause higher backlogs for children in need of services since children will not be evaluated or referred to providers on a timely basis. It will also reduce the number of children enrolled in other Federal/State programs such as Medi-cal and Healthy Families as the program only has a small window (7 days) to complete the physical and financial evaluation and the paperwork necessary to enrolled children on those Federal/State programs. Reducing administrative staff will greatly increase the local cost of providing services for which federal/state reimbursements would not be received. Positions needed are 5.5 Public Health Nurses (PHN), 3.5 Clerk II, 1.5 Financial Interviewers, 0.5 Physician Consultant, and 0.5 Supervising PHN.

### V. OTHER POLICY ITEMS

None.

### VI. FEE CHANGES

None.

GROUP: Human Services System  
DEPARTMENT: Public Health - California Children's Services  
FUND: General AAA CCS

FUNCTION: Health & Sanitation  
ACTIVITY: Hospital Care

Analysis of 2003-04 Budget

	A	B	C	D	B+C+D E
	2002-03 Year-End Estimates	2002-03 Final Budget	Base Year Adjustments	Mid-Year Adjustments	Board Approved Base Budget
<b><u>Appropriation</u></b>					
Salaries and Benefits	6,449,976	9,064,394	633,261	-	9,697,655
Services and Supplies	1,053,863	1,417,719	13,496	-	1,431,215
Equipment	9,000	18,000	-	-	18,000
Transfers	205,910	215,910	6,442	-	222,352
Total Appropriation	7,718,749	10,716,023	653,199	-	11,369,222
<b><u>Revenue</u></b>					
Current Services	25,334	12,800	-	-	12,800
State, Fed or Gov't Aid	4,917,278	7,626,641	653,199	-	8,279,840
Other Revenue	55	500	-	-	500
Realignment	1,388,041	1,538,041	-	-	1,538,041
Total Revenue	6,330,708	9,177,982	653,199	-	9,831,181
Local Cost	1,388,041	1,538,041	-	-	1,538,041
Budgeted Staffing		154.3			154.3

DEPARTMENT: Public Health - California Children's Services  
FUND: General AAA CCS

ACTIVITY: Hospital Care

ANALYSIS OF 2003-04 BUDGET

	B+C+D E Board Approved Base Budget	F Recommended Program Funded Adjustments	E+F G 2003-04 Department Request	H Vacant Position Impact	G+H I 2003-04 Proposed Budget (Adjusted)	J Recommended Vacant Restoration	I+J K 2003-04 Recommended Budget
<b>Appropriation</b>							
Salaries and Benefits	9,697,655	(630,202)	9,067,453	(698,094)	<b>8,369,359</b>	698,094	9,067,453
Services and Supplies	1,431,215	(320,915)	1,110,300	-	<b>1,110,300</b>	-	1,110,300
Equipment	18,000	-	18,000	-	<b>18,000</b>	-	18,000
Transfers	222,352	305,328	527,680	-	<b>527,680</b>	-	527,680
Total Appropriation	11,369,222	(645,789)	10,723,433	(698,094)	<b>10,025,339</b>	698,094	10,723,433
					-		-
<b>Revenue</b>					-		-
Current Services	12,800	6,600	19,400	-	<b>19,400</b>	-	19,400
State, Fed or Gov't Aid	8,279,840	(652,149)	7,627,691	(569,406)	<b>7,058,285</b>	569,406	7,627,691
Other Revenue	500	(240)	260	-	<b>260</b>	-	260
Realignment	<u>1,538,041</u>	<u>-</u>	<u>1,538,041</u>	<u>(64,344)</u>	<u><b>1,473,697</b></u>	<u>64,344</u>	<u>1,538,041</u>
Total Revenue	9,831,181	(645,789)	9,185,392	(633,750)	<b>8,551,642</b>	633,750	9,185,392
					-		-
Local Cost	1,538,041	-	1,538,041	(64,344)	<b>1,473,697</b>	64,344	1,538,041
Budgeted Staffing	154.3	(9.3)	145.0	(12.8)	<b>132.3</b>	12.8	145.0

## PUBLIC HEALTH

### Base Year Adjustments

Salaries and Benefits	186,641	MOU.
	349,954	Retirement.
	96,666	Risk Management Workers Comp.
Total Salaries and Benefits	<u>633,261</u>	
Services and Supplies	<u>13,496</u>	Risk Management Liabilities.
Transfers	<u>6,442</u>	Incremental change in EHAP.
Base Year Appropriation	<u>653,199</u>	
Revenue		
State, Fed or Gov't Aid	<u>653,199</u>	
Total Revenue	<u>653,199</u>	
Local Cost	<u>-</u>	

### Recommended Program Funded Adjustments

Salaries and Benefits	(555,182)	Primarily resulting from increased vacancy factor.
	<u>(75,020)</u>	GASB 34 Accounting Change - PHL staff support now budgeted in transfers.
	<u>(630,202)</u>	
Services and Supplies	(20,310)	GASB 34 Accounting Change (EHAP).
	(118,000)	Reduced computer and equipment expenditures that were needed for staffing expansion in 2002-03.
	(200,900)	GASB 34 Accounting Change - Rent now budgeted in transfers.
	<u>18,295</u>	Other minor miscellaneous increases.
	<u>(320,915)</u>	
Transfers	75,018	GASB 34 Accounting Change related to Public Health support staff.
	20,310	GASB 34 Accounting Change (EHAP).
	210,000	GASB 34 Accounting Change - Rent previously budgeted in services and supplies.
	<u>305,328</u>	
Total Appropriation	<u>(645,789)</u>	
Revenue		
Current Services	<u>6,600</u>	
State, Fed or Gov'd Aid	(653,199)	When targets are set, expenses changes are expected to be funded by increased state revenue. This entry backs out those assumptions and is replaced by the detail of what actually happened in the lines below.
	<u>1,050</u>	
	<u>(652,149)</u>	
Other Revenue	<u>(240)</u>	
Total Revenue	<u>(645,789)</u>	
Local Cost	<u>-</u>	

## PUBLIC HEALTH

### Vacant Position Impact Summary

	<u>Authorized</u>	<u>Budgeted Staffing</u>	<u>Salary and Benefit Amount</u>	<u>Revenue</u>	<u>Local Cost</u>
Vacant Budgeted Not In Recruitment - Delete	21	12.8	698,094	633,750	64,344
Vacant Budgeted In Recruitment - Retain	7	5.8	333,499	248,565	84,934
Total Vacant	28	23.6	1,031,593	882,315	149,278
Recommended Restoration of Vacant Deleted	21	12.8	698,094	633,750	64,344

### Vacant Position Impact Detail

	<u>Position Number</u>	<u>Budgeted Staffing</u>	<u>Salary and Benefit Amount</u>	<u>Revenue</u>	<u>Local Cost</u>
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Note: If position is seasonal indicate next to Classification (Seasonal - May through August)

#### Vacant Budgeted Not In Recruitment

<i>Clerk II</i>	00077414	(1.0)	(31,686)	(29,240)	(2,446)
<i>Clerk II</i>	00077415	(0.8)	(22,542)	(20,802)	(1,740)
<i>Clerk II</i>	00077416	(0.8)	(22,542)	(20,802)	(1,740)
<i>Clerk II</i>	00077417	(1.0)	(31,686)	(29,240)	(2,446)
<i>Financial Interviewer</i>	00077439	(0.5)	(19,157)	(17,678)	(1,479)
<i>Financial Interviewer</i>	00077441	(0.5)	(21,491)	(19,832)	(1,659)
<i>Financial Interviewer</i>	00077443	(0.5)	(19,157)	(17,678)	(1,479)
<i>Pediatric Rehab Therapist II</i>	00077444	(0.5)	(31,626)	(23,719)	(7,907)
<i>CCS Physician Consultant</i>	00077411	(0.5)	(58,381)	(53,874)	(4,507)
<i>Occupational Therapy Assistant</i>	00004150	(0.8)	(28,836)	(21,627)	(7,209)
<i>Public Health Nurse II</i>	00013841	(0.5)	(36,505)	(33,687)	(2,818)
<i>Public Health Nurse II</i>	00015631	(1.0)	(80,452)	(74,241)	(6,211)
<i>Public Health Nurse II</i>	00077423	(0.5)	(32,339)	(29,842)	(2,497)
<i>Public Health Nurse II</i>	00077424	(0.5)	(32,339)	(29,842)	(2,497)
<i>Public Health Nurse II</i>	00077425	(0.5)	(32,339)	(29,842)	(2,497)
<i>Public Health Nurse II</i>	00077426	(0.5)	(32,339)	(29,842)	(2,497)
<i>Public Health Nurse II</i>	00077427	(0.5)	(32,339)	(29,842)	(2,497)
<i>Public Health Nurse II</i>	00077428	(0.5)	(32,339)	(29,842)	(2,497)
<i>Public Health Nurse II</i>	00077429	(0.5)	(32,339)	(29,842)	(2,497)
<i>Public Health Nurse II</i>	00077430	(0.5)	(32,339)	(29,842)	(2,497)
<i>Supvg Public Health Nurse</i>	00077431	(0.5)	(35,321)	(32,594)	(2,727)
Subtotal Recommended - <b>Retain</b>		(12.8)	(698,094)	(633,750)	(64,344)
Total Slated for Deletion		(12.8)	(698,094)	(633,750)	(64,344)

## PUBLIC HEALTH

### Vacant Budgeted In Recruitment - Retain

<i>Financial Interviewer</i>	00072328	1.0	37,947	35,017	2,930
<i>Financial Interviewer</i>	00077442	0.5	19,157	17,678	1,479
<i>Pediatric Rehab Therapist I</i>	00004725	1.0	81,332	60,999	20,333
<i>Pediatric Rehab Therapist I</i>	00077407	1.0	60,193	45,145	15,048
<i>Pediatric Rehab Therapist I</i>	00077408	1.0	60,193	45,145	15,048
<i>Pediatric Rehab Therapist I</i>	00077409	0.5	30,278	15,230	15,048
<i>Pediatric Rehab Therapist I</i>	00077410	0.8	44,399	29,351	15,048
Total in Recruitment Retain		5.8	333,499	248,565	84,934

NOTE: If applicable, the vacant position will be bolded if included in the 30% Cost Reduction Plan not yet implemented.  
If applicable, the seasonal vacant position that is currently not filled will indicate which months they are needed.